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SUBJECT: THE FILLON GOVERNMENT, SARKOZY'S REFORM TEAM, NAMED

REF: A. (A) PARIS 1817 AND PREVIOUS

1B. (B) EMBASSY PARIS DAILY SIPRNET REPORT FOR MAY 18

1C. 2007 AND PREVIOUS

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SENSITIVE BUT UNCLASSIFIED -- HANDLE ACCORDINGLY

### SUMMARY

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¶1. (SBU) Intent on maintaining the momentum for reform, President Sarkozy moved quickly following his inauguration May 16 (ref B). Sarkozy named his administration's first Prime Minster, Francois Fillon the following day, May 17, then immediately named the line-up of the Fillon government on May 18. The new government includes major figures from the wing of Sarkozy's own Union for a Popular Movement (UMP) party that opposed Sarkozy's nomination as the party's presidential candidate, from the opposition Socialist Party (PS) (Foreign Minister Bernard Kouchner) and from the centrist Union for French Democracy (UDF) party (Defense Minister Herve Morin). The Fillon government ministerial team is the fruit of Sarkozy's outreach efforts across the political spectrum in the days immediately following his election (ref A). Sarkozy -- very confident that the UMP will keep its parliamentary majority following the upcoming June 10 and 17 legislative elections -- may well be accelerating his plans to implement reforms; the newly named government is designed to reflect multi-partisan responsibility for the upcoming reform effort, which will be actively, personally directed by Sarkozy himself. END SUMMARY.

### BROAD-BASED GOVERNMENT NAMED QUICKLY

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12. (U) As expected, President Nicolas Sarkozy -- after naming Francois Fillon on May 17 the Sarkozy administration's first prime minister -- immediately also named the members of the Fillon government. On May 18, Claude Gueant, the new Secretary General of the Elysee Palace who served as

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Sarkozy's campaign manager during the presidential race, announced the composition of the new government (for list names and bio info see paras 7 - 32 below). This government

is the result of 1) Sarkozy's early decision to name Fillon PM (ref B), as all UMP electoral projections kept indicating a very likely Sarkozy victory; and 2) Sarkozy's unexpected outreach efforts across the political spectrum in the days following his May 10 election victory (ref A).

#### "SARKOZY'S REFORM TEAM"

13. (U) This government is "Sarkozy's reform team," with Fillon in the role of executive officer. All indications are that the UMP will keep its current majority in the National Assembly in the upcoming June 10 and 17 legislative elections. The composition of this government -- which includes prominent members from the formerly anti-Sarkozy faction of the UMP (Juppe and Alliot-Marie) and a member from the opposition Socialist Party (PS) Kouchner) and one from the centrist Union for French Democracy (UDF) party (Morin)-is designed to add the "multi-partisan, unity government" card to Sarkozy's already very strong hand (a mandate-giving victory and a new parliamentary majority) for pursuing his reform agenda. On the reform implementation front, all indications are that Sarkozy plans to keep up the pace he as set not only in naming his administration's first government in record time, but also in naming a government that, in effect, significantly restructures France's executive branch.

# FOUR FACETS OF RESTRUCTURING

14. (SBU) As promised, the number of ministries has been reduced to 15, driving a re-structuring of functions that divides the large and un-agile mega-ministries of economy and interior each into two "new" ministries. Sarkozy's restructuring also includes the creation of a "super ministry" of Ecology and Sustainable Development. It also overtly moves foreign policy direction to the Elysee. The economy ministry has been split into a pro-active Ministry of Economy, Finance and Employment under former Social Solidarity Minister Jean-Louis Borloo, and a more accounting-oriented Ministry of Budget, Public Accounting and Civil Service under UMP parliamentarian Eric Woerth. The

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core interior ministry security functions remain in an Interior Ministry under former Defense Minister Michelle Alliot-Marie, as immigration and naturalization matters move to a new Ministry of Immigration, Integration, National Identity and Co-development under Sarkozy's closest political ally, Brice Hortefeux.

15. (U) Sarkozy's re-structuring includes the creation of a Ministry of Ecology, Sustainable Development and Sustainable Planning under former Prime Minster Alain Juppe. Juppe also gets the title of Minister of State, which makes him number two in the government after Prime Minister Fillon. With regard to foreign affairs, Sarkozy has put policy direction firmly under his personal control at the Elysee through a far-reaching role for outgoing Ambassador to the U.S. Jean-David Levitte, in a role similar to that of the U.S. National Security Advisor. By naming Socialist Bernard Kouchner (of Doctors Without Borders fame) as Foreign Minster, Sarkozy has put an emphasis on humanitarian and human rights matters in the mission of the Quai d'Orsay

#### A GOVERNMENT OF GENDER PARITY

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16. (U) Also as promised, the new government observes gender parity -- seven of the new ministers are women. They are Michele Alliot-Marie (Minister of Interior, Overseas Territories and Local Governments), Rachida Dati (Minister of Justice), Valerie Pecresse (Minister of Higher Education and Research), Roselyn Bachelot (Minister of Health, Youth and Sports), Christine Boutin (Minister of Housing and Cities), Christine Lagarde (Minister of Agriculture and Fisheries), and Christine Albanel (Minister of Culture and Communication, Government Spokeswoman). Incidentally, the three top

officials in this new French administration, President

Sarkozy, Prime Minister Fillon and Minister of State Juppe are graduates of the U.S. Government's International Visitor Program (IVP) (Sarkozy in 1985, Fillon in 1984 and Juppe in 1978). It is also noteworthy that the two top officials, Sarkozy and Fillon, are not graduates of France's elite school for top civil-servants, the National School of Administration (ENA). There follow biographical sketches of the new government's Prime Minister (Fillon), Foreign Minster (Kouchner), Defense Minister (Morin) and the government's number two (Juppe), who is Minister of Ecology, Sustainable Development and Sustainable Planning, and thumbnail bios of the other members of the new government.

# Prime Minister ) Francois Fillon

- $\P$ 7. (SBU) Francois Fillon, a former Gaullist with a keen interest in social affairs and defense issues, was named Prime Minister on May 17, 2007. Fillon broke ranks with former President Chirac following the UMP's crushing electoral defeats in the regional and European elections of 12004. Fillon blamed Chirac's slow pace of social reforms for that electoral defeat, and has since vowed to move quickly to implement President Sarkozy's reform agenda. Fillon is best known for pushing through a controversial reform of the national pension system in 2003 -- arguably the most significant reform passed during Jacques Chirac's 12-year presidency.
- (SBU) Fillon served in the Raffarin government as Minister of Education from 2004-05, and as Minister of Social Affairs, Labor, and Solidarity from 2002-04. Fillon is given high marks for his handling of several politically sensitive labor reform measures during the 2002-04 period, including a de facto extension of the 35-hour workweek (by allowing employees to work more overtime hours); simplifying and raising the minimum wage; and passage of a controversial pension reform bill. Several of Fillon's proposed reforms to the education system, however, were watered down or withdrawn in an (ultimately unsuccessful) effort to mollify public opinion in advance of the vote on the EU Constitution.
- 19. (SBU) Fillon served as a National Assembly Deputy from the Sarthe department (in western France) between 1981-93 and 1997-2002. Throughout the 1980s and 90s, he was considered a leading expert on defense-related issues and served as chairman of the Assembly's Defense Committee during 1986-88. He was among the few Gaullists to call for greater French

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participation in NATO. Fillon also served as Minister for Higher Education and Research during the government of Edouard Balladur (1993-95), and as Deputy Minister for Posts, Telecommunications, and Space during the government of Alain Juppe (1995-97). Fillon's political career includes a four-year stint (1998-2002) as President of the Pays-de-la-Loire Regional Council in western France. He was elected to the Senate in 2005 representing his native Sarthe department.

(SBU) Fillon understands English, but prefers to speak French. He met his British-born wife, the former Penelope Clarke from Wales, when she was an English instructor at the university Fillon also attended in the Maine region of France. The couple has five children. Fillon has made several trips to the United States, including a tour as an IV grantee in 1984.

Minister of Foreign and European

Affairs ) Bernard Kouchner

111. (SBU) In a surprise move, President Sarkozy has appointed world renowned humanitarian Bernard Kouchner as Minister of Foreign and European Affairs. Kouchner's appointment to lead the Quai d'Orsay represents the fulfillment of a longtime dream for the celebrated champion of humanitarian causes. Kouchner has made a career out of drawing attention to international humanitarian issues. His numerous efforts include projects in Somalia, Bosnia, Northern Iraq, Nagorno-Karabakh, Sudan, Ethiopia and Lebanon. Considered a maverick among his Socialist Party colleagues, Kouchner was one of the few politicians (left or right) to openly support the American-led invasion of Iraq in 2003. An experienced administrator, he has held three ministerial portfolios in Socialist governments: as Junior-Minister for Health (1997-98 and 2001-2002), as Minister of Health and Humanitarian Affairs (1992-93), and as Secretary of State for Humanitarian Affairs (1988-92). During 1994-97, Kouchner served as a Member of the European Parliament. He officially joined the Socialist Party in 1998.

- 112. (U) Appointed by then-Secretary General Kofi Annan, Kouchner served as the UN's Special Representative in Kosovo during 1999-2001. In this capacity he acted as a virtual governor of the province during its occupation by a NATO-led peacekeeping force. He had the power to levy taxes, write new laws, and form a police force. Kouchner's appointment represented a diplomatic victory for President Jacques Chirac, who lobbied aggressively on Kouchner's behalf. Upon conclusion of his mandate, Kouchner received international praise for his competence, objectivity, and dedication. In recent years Kouchner has unsuccessfully bid on two top IO positions: UN High Commissioner on Refugees and head of the World Health Organization.
- 113. (U) Kouchner has been active in aiding distressed populations throughout the world since the late-1960s, when he began working in Biafra and Chad. A gastroenterologist by training, Kouchner left his Paris medical practice behind and, in 1971, helped found &Medecins Sans Frontieres8 (Doctors Without Borders), an organization of volunteer doctors dedicated to helping patients in disadvantaged countries around the world. Following a rift with other founding members, Kouchner set up Doctors of the World in 1980.
- 114. (SBU) Kouchner was born on November 1, 1939. Kouchner has three children by a prior relationship. His longtime companion, Christine Ockrent, hosts a news program on the state-run TV network France 3. They have one child. Kouchner speaks excellent English.

## Minister of Defense ) Herve Morin

115. (SBU) Herve Morin has represented the rural, 3rd district of the Eure department in the National Assembly since 1988. He is a member of the centrist Union for French Democracy (UDF) party. Morin has been the leader of the UDF parliamentary group in the assembly since 2002, and was widely seen as the leader of the UDF parliamentarians who

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rallied to Sarkozy once UDF leader Francois Bayrou was eliminated in the first round of the presidential race. Morin has been a close Embassy contact. Friendly and direct, he is unabashed about his affection for the U.S., often referring to his Normandy roots and the grateful memories of the Liberation that he calls "our heritage." The French press characterizes Morin as among the most Atlanticist of all deputies. A relative newcomer on the national political stage, Morin worked as an administrator in the National Assembly beginning in 1978, and thus cannot be considered a neophyte in the Assembly's corridors of power. He was a counselor for parliamentary relations to then-Minister of Defense Francois Leotard (UDF) during 1993-95, and also served as spokesman and project coordinator for Francois Bayrou's 2002 presidential campaign.

116. (SBU) In relatively short order, Morin became a member of Bayrou's inner circle, largely by remaining a UDF loyalist while other party leaders were defecting to Chirac's camp in the run-up to the 2002 presidential election. In Bayrou's

2007 presidential bid, Morin filled a range of roles in the campaign: coordinator for special communication projects and point man for refuting UMP charges made against UDF proposals. Morin understands some English, but prefers to speak French.

Minister of Ecology and Development ) Alain Juppe

- 17. (SBU) Former Prime Minister Alain Juppe, once famously described as "the best among us" by his mentor Jacques
  Chirac, has returned to the national political stage to lead
  a new "super ministry of ecology and economic development" formally called the Ministry of Ecology and Sustainable Development and Planning. Juppe also gets the, largely honorary, but coveted Minister of State title which places him second (behind PM Fillon) in the government's official protocol ranking. Juppe's high-profile appointment underlines President Sarkozy's commitment to leading action on global warming. In his May 6 victory address to the nation, Sarkozy highlighted the need for the United States, with France, to "take the lead" in the fight against climate change.
- 118. (SBU) Juppe's appointment to a senior government post represents a political comeback for the man once seen as Jacques Chirac's likeliest (and preferred) successor. Juppe's conviction, in 2004, on charges relating illegally paid for political party staffers severely damaged his political career. Juppe was given a 14-month suspended sentence and one-year of ineligibility from holding public office. Juppe was forced to resign from both his seat in the National Assembly and his local elective office as mayor of Bordeaux. But more importantly, his resignation from the presidency of the UMP opened the door for Nicolas Sarkozy to take over. During 2005 Juppe taught a year-long seminar on globalization at Quebec's National School of Administration. During his stint in North America he became increasingly interested in environmental advocacy and, by his own account, was greatly influenced by the anti-global warming campaign directed by former Vice-President Al Gore.

Minister of Economy, Finance and Employment -- Jean Louis Borloo

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119. (SBU) Jean-Louis Borloo has been tapped to lead the newly revamped Ministry of Economy, Finance and Employment which now includes enhanced powers over employment issues and economic strategy. A political maverick with a populist streak, Borloo previously served in the Raffarin and Villepin governments as Minister for Employment, Labor and Social Cohesion during 2004-07. He was also Junior Minister for Towns and Urban Renewal from 2002-04. In recent months Borloo has overseen development of Nicolas Sarkozy's so-called "Marshall Plan for the Suburbs," which seeks revive employment and education prospects in immigrant which seeks to neighborhoods. Self-assured, frank and quick-to-action, Borloo remains a highly popular figure among the general public.

Minister of Interior, Overseas Territories

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and Local Governments -- Michele Alliot-Marie

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¶20. (SBU) Neo-Gaullist Michele Alliot-Marie has been named to lead the Ministry of Interior, Overseas Territories and Local Governments by President Nicolas Sarkozy. Often referred to by her initials as "MAM" in the French press, Alliot-Marie is one of the few holdovers from the Chirac administration and was likely retained because of her strong support during the campaign and, at least in part, because of Sarkozy's desire to maintain gender parity in his new administration. Alliot-Marie served ably as Minister of Defense from 2002-07, becoming the first woman in French

history to hold that position. Known as a "hands-on" minister, Alliot-Marie was well liked and respected by French Armed Forces personnel. During her tenure she fought successfully to prevent drastic cuts to the defense budget, and made several visits to French troops stationed in Afghanistan and Africa. Alliot-Marie also demonstrated a sincere desire to maintain good U.S.-French military-to-military relations, although she maintained a problematic relationship with former Defense Minister Donald Rumsfeld on such issues as European security (ESDP) and coordinated European procurement (EDA).

Minister of Immigration, Integration, National

Identity and Co-Development ) Brice Hortefeux

121. (SBU) Long-time Sarkozy ally Brice Hortefeux has been appointed to lead the newly created Ministry of Immigration, Integration, National Identity and Co-Development. During the 2007 presidential campaign Sarkozy said that immigration reform would be a top priority of his administration and that he wanted to create a single agency in order to consolidate the administration of immigration policy portfolio that was spread out among three different ministries. Hortefeux is one of Sarkozy's oldest friends and political allies. He served as Junior Minister of Collective Territories in the old Villepin government from 2005-07. He was also a member of the European Parliament from 1999 to 2005. According to the press, Hortefeux and Cecilia Sarkozy, the president's highly influential wife, often clashed during the run-up to the 2007 presidential election. Hortefeux has maintained close ties with the Embassy over the years, although in private he has been a harsh critic of President George W. Bush's policy in Irag.

Minister of Justice ) Rachida Dati

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122. (SBU) Sarkozy protege Rachida Dati has been tapped to serve as Minister of Justice ("Garde de Sceaux"). A lawyer and former magistrate born to North African immigrants, Dati joined Sarkozy at the Interior Ministry in 2002 as an advisor on delinquency issues where she helped build up a network of contacts and supporters among the immigrant community. Impressed by her poise, intelligence and hard-driving work ethic, Sarkozy later choose Dati to serve as a co-spokesperson for his presidential campaign. Her politicexperience began in 1995 when she joined the staff of the Education Ministry. From 1997-99 she worked in the justice ministry as an internal auditor, before being named a magistrate at a criminal court in a town called Peronne. In 2001 she was named acting magistrate at the criminal court in Evry, a suburb of Paris, where she specialized in financial crime cases. Dati was born on November 27, 1965 in Saint-Remy, France. Dati's Moroccan immigrant parents were poor; hers is an up-from-poverty success story made possible by hard work and free public education. She holds an economic science degree from the Higher School of Business (1993) and later took a masters in law (1996). She graduated from the National School of Magistrates in 1997. Dati is unmarried. Dati does not speak English.

Minister of Labor, Social Relations
----and Solidarity ) Xavier Bertrand

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123. (SBU) President Nicolas Sarkozy has named UMP rising star Xavier Bertrand to lead the newly created Ministry of Labor, Social Relations and Solidarity. A formidable

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debater, Bertrand served admirably as one of Sarkozy's spokespersons during the 2007 presidential campaign. A relative newcomer on the national political scene, Bertrand served in the Raffarin government as State Secretary for Social Security from April 2004 to June 2005. During this period he was responsible for negotiating with union and

employer representatives regarding the reform of France's nearly-bankrupt health insurance system. In recognition for his successful efforts, Bertrand was then promoted to Minister of Health and Solidarity when Dominique de Villepin took over the reigns of government in 2005. He resigned for the government on March 26, 2007 in order to devote himself full-time to Sarkozy's presidential campaign.

¶24. (SBU) Bertrand is a hard-working detail-oriented administrator. As Health Minister, Bertrand worked closely with U.S. officials to develop plans to cope with the emerging Bird Flu threat. In 2006 he requested assistance from visiting U.S. officials to help contain the Chikungunya epidemic on Reunion Island in the Indian Ocean. Bertrand later praised American contributions to the containment effort, saying American assistance accelerated the development and distribution of an effective vaccine.

# Minister of Education ) Xavier Darcos

¶25. (SBU) UMP deputy Xavier Darcos has been named Minister of Education. Darcos served as Junior Minister for Cooperation, International Development and Francophone Affairs from 2004-05, and as Junior Minister for Primary and Secondary Education from 2002-04. A former senator from the Dordogne region in southwestern France (1997-2002), Darcos was not particularly close to former President Jacques Chirac and hence was not kept on when the government of Dominique de Villepin was formed in June 2005. He does not speak English.

Minister for Higher Education and Research ) Valerie Pecresse

126. (SBU) UMP deputy Valerie Pecresse has been named Minister for Higher Education and Research. Plucky and combative, Pecresse has served as spokesperson for the UMP political party since 2004 and regularly appears on TV and radio political debate programs. She was elected to the National Assembly representing Versailles-Chevreuse (Yvelines) in June 2002, and was immediately appointed to the National Assembly's law commission. Pecresse played a prominent role in President Chirac's 2002 reelection campaign, where she was in charge of dissecting the opposition's positions and preparing rebuttals for candidate Chirac. She has been a member of the UMP's political bureau since 2004, but does not appear closely allied to Nicolas Sarkozy. However, her omnipresent and effective performance during the 2007 presidential campaign likely assured her a spot in the Fillon government.

Minister of Health, Youth and Sports

### ) Roselyn Bachelot

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127. (SBU) Roselyn Bachelot-Narquin has been named Minister of Health, Youth and Sports. Bachelot served as Minister of Ecology and Sustainable Development in the Raffarin government from 2002-04. A long-time Chirac loyalist, Bachelot served as the former president's spokeswoman during his 2002 reelection bid. She was elected to a five-year term in the European Parliament in June 2004. Bachelot served on the European Parliament's commission investigating alleged overflights of European territory by the CIA aircraft transporting terrorist suspects. She has been a deputy secretary general at the UMP political party since 2006.

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Minister for Housing and Cities

) Christine Boutin

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128. (SBU) Social conservative Christine Boutin has been named Minister for Housing and Cities. Boutin as has served in the National Assembly representing the 10th district in the Yvelines department since 1986. Something of a political

maverick, she was first elected to the Assembly without the endorsement of any party, but joined the center-right UMP in 12002. Boutin rose to national prominence for her opposition to the 1999 &PACS8 legislation which provided a range for civil union, tax benefit, inheritance and surviving partner rights to gay and lesbian couples. After losing that battle, Boutin ran for the presidency 2002, obtaining just over 1 percent of the first round vote.

# Minister of Agriculture and Fisheries

) Christine Lagarde

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129. (SBU) Christine Lagarde has been named Minister of Agriculture and Fisheries. Laggard's appointment follows on her successful tenure in the Villepin government as Junior Minister for Foreign Trade from 2005-07. Lagarde's performance reportedly made a favorable impression on then-Interior Minister Nicolas Sarkozy, who was determined to keep her in his future administration. An accomplished lawyer specializing in antitrust and labor law, Lagarde formerly served as worldwide president at Baker and McKenzie from 2004-05. During the prior five year period, she was president of Baker and McKenzie's executive committee in Chicago.

Minister of Culture and Communication,

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Government Spokeswoman -- Christine Albanel

130. (SBU) Former Chirac collaborator and speechwriter Christine Albanel has been named Minister of Culture and Communication. She will also serve as the Fillon government's official spokeswoman. Albanel served as president of the Versailles Historical Site and Museum from 2003 until her ministerial appointment. A member the UMP's predecessor, the Rally for the Republic (RPR) political party, Albanel represented Paris on the Ile-de-France Regional Council from 1986-1992 and again from 1998-2004.

Minister for Budget, Public Accounts
----and Civil Service ) Eric Woerth

and civil service ) Elic woeldn

¶31. (SBU) UMP National Assembly member Eric Woerth has been named Minister for Budget, Public Accounts and Civil Service. Woerth represented the 4th district of the Oise department in the National Assembly from 2002-04, before serving in the Raffarin government as State Secretary for Reform of the State from March 2004 to June 2005. He was reelected to his old Assembly seat in a special by-election in that latter year. At the local level, he has been Mayor of Chantilly since 1995, and sat on the Picardie Regional Council during 1992-2002.

Four State Secretaries and a High Commissioner

132. (U) Five other posts in the new government were also filled. Under the Prime Minister's office: Roger Karoutchi will be State Secretary for Relations with the Parliament, and Eric Besson will be State Secretary for Strategic Planning and Assessment of Public Policies. Under the Minister for Foreign and European Affairs: Jean-Pierre Jouyet has been named State Secretary for European Affairs. While under the Minister of Ecology, Sustainable Development and Planning: Dominique Bussereau is State Secretary for Transportation. Finally, Martin Hirsch will serve as High Commissioner for Pro-Active Solidarity Against Poverty. Please visit Paris' Classified Website at: http://www.state.sgov.gov/p/eur/paris/index.c fm